

Message Text

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73

ORIGIN EB-06

INFO OCT-01 ARA-06 ISO-00 TRSE-00 SS-15 IO-04 AID-05 STR-01

COME-00 FRB-01 OMB-01 XMB-02 L-01 CIAE-00 INR-05

NSAE-00 RSC-01 IGA-01 SP-02 NSC-05 SSO-00 NSCE-00

USIE-00 INRE-00 /057 R

DRAFTED BY EB/IFD/ODF:RSGELBARD:CU

APPROVED BY EB/IFD:PHBOEKER

TREAS:JABUSHNELL

ARA/CEN:LKILDAY

----- 080437

O 012213Z NOV 74

FM SECSTATE WASHDC

TO AMEMBASSY SAN JOSE IMMEDIATE

C O N F I D E N T I A L STATE 240985

E.O. 11652:GDS

TAGS:EFIN, IDB

SUBJECT:U.S. NEGATIVE VOTE ON COSTA RICAN IDB LOAN

REF: SAN JOSE 4131

FOR EMBASSY BACKGROUND ONLY:

1. IDB BOARD OF DIRECTORS VOTED APPROVAL OF DOLS 50.5 MILLION ORDINARY CAPITAL (OC) LOAN FOR ARENAL PROJECT AT OCTOBER 31 MEETING. U.S. REPRESENTATIVE, TREASURY DEPUTY ASSISTANT SECRETARY JOHN BUSHNELL, VOTED AGAINST LOAN WITH STATE CONCURRENCE. BUSHNELL STRESSED IN NOTING THAT U.S. POSITION HAD NOTHING TO DO WITH BILATERAL RELATIONS WITH COSTA RICA; POSITION WOULD BE EXACTLY THE SAME FOR ANY COUNTRY GIVEN PROJECT TERMS WHICH WERE PRESENTED. U.S. VOTE BASED ON TECHNICAL OBJECTIONS ONLY, I.E., 30 YEAR MATURITY, SIX YEAR GRACE PERIOD OF LOAN INSTEAD OF STANDARD OC PROVISION OF 20 YEARS, FIVE YEAR GRACE PERIOD. U.S. COMPROMISE
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OFFER OF 25 YEARS, SIX YEARS GRACE REJECTED BY GOCR.

2. AT OPENING OF BOARD SESSION BUSHNELL STATED THAT U.S. HAD REVIEWED ITS IDB VOTING POLICY AND HENCEFORTH WOULD VOTE NEGATIVELY WHEN IT BELIEVED A LOAN SHOULD NOT GO FORWARD. PREVIOUSLY, U.S. ABSTAINED ON SUCH LOANS (FYI: IN FSO, WHERE U.S. MUST VOTE POSITIVELY FOR LOAN APPROVAL, U.S. PREVIOUSLY WOULD ATTEMPT TO BLOCK LOAN BEFORE IT REACHED BOARD, RATHER THAN EXERCISE VETO. END FYI).
3. U.S. REP WAS ONLY BOARD MEMBER TO VOTE NEGATIVELY, BUT NEGATIVE VOTE DOES NOT AFFECT BOARD ACTION TO ALLOW IDB TO PROCEED WITH PROJECT (WITH 30 YEAR MATURITY), SINCE U.S. VOTE IS 40 PERCENT AND OC LOANS ONLY, REQUIRE MAJORITY VOTE. INGERSOLL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DEVELOPMENT LOANS, HYDROELECTRIC POWER PLANTS
Control Number: n/a
Copy: SINGLE
Draft Date: 01 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: smithrj
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE240985
Document Source: CORE
Document Unique ID: 00
Drafter: RSGELBARD:CU
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740313-0822
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741178/aaaacnxw.tel
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Reference: SAN JOSE 4131
Review Action: RELEASED, APPROVED
Review Authority: smithrj
Review Comment: n/a
Review Content Flags:
Review Date: 11 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11 SEP 2002 by martinml>; APPROVED <07 MAR 2003 by smithrj>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: .S. NEGATIVE VOTE ON COSTA RICAN IDB LOAN
TAGS: EFIN, ENRG, IDB
To: SAN JOSE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005